



Behavioral Health Payment Reform Value-Based Incentives (formerly CB & I) Year 3 (FY 2025-26) Provider Listening Session 4/10/25



Agenda

1. SAPC Payment Reform Overview
2. Year 3 Package Overview
3. Year 3 Administrative Updates
4. Listening Session Facilitated by CIBHS
5. Next Steps



SAPC’s 10-Year Payment Reform Roadmap

- **Goal:** Improve outcomes in the specialty SUD treatment system while balancing quality, equitable outcomes, and other key considerations
- **Approach:** A 10-year roadmap that outlines phased implementation
- **Value-Based Incentives (formerly CB & I)** have been key to these advancements and will continue to evolve.
- **Year 3** marks entry into a new phase of SAPC’s Value-Based Reimbursement Strategy:

Phase 2: Implementing Outcome-Based Reforms (FY 2025-26 + FY 2026-27)

Phase 1		Phase 2		Phase 3		Phase 4		Phase 5	
Investing in the Foundation		Implementing Outcome-Focused Reforms		Delivering Quality + Value		Managing Risks + Rewards		Advanced Value-Based or Population Health Environment	
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33

SAPC's 10-Year Payment Reform Roadmap

	Phase 1		Phase 2		Phase 3		Phase 4		Phase 5	
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Rates Structure	FFS		FFS + narrow alternative payment strategies		FFS + expanded alternative payment strategies		FFS + expanded alternative payment strategies tied to quality and other measures		Advanced value-based care or population-based alternative payment model	
Capacity Building	SUD counselors + LPHA + R95 + foundational business operations		LPHA + MAT prescribers + access to care (including R95) + developing performance/risk metrics + assessing organizational risk + care coordination		Workforce sustainability + managing risks + care redesign in VBC + patient experience + balancing quality and cost		Internal performance metric monitoring + managing upfront, predictable payments		Fiscal/business operational needs	
Capacity Building payments become a smaller portion of our CB&I investments over time.										
Incentives	SUD counselors + LPHA + access to care (R95) + enhancing data reporting		SUD counselors + LPHA + access to care (R95) + quality care + enhancing data reporting		Incentives as care and cost benchmarks/ expectations		Incentives as care and cost benchmarks/ expectations		Incentives as care and cost benchmarks/ expectations	
Incentive payments become a larger portion of our Capacity Building and Incentive investments over time.										

New Name: Value-Based Incentives

- **We are replacing the Capacity Building and Incentives (CB&I) name with Value-Based Incentives to better align with our strategy.**
 - This change emphasizes the connection between these efforts and our broader value-based reimbursement (VBR) work.
 - This new name accurately describes the purpose of these efforts: provide incentive payments.
 - It also helps avoid confusion with other non-VBR capacity-building efforts.

Year 3 Package and Payment Reform Strategy

- **Year 3's Value-Based Incentives package is more cohesive and strategically aligned.**
 - This means reducing redundancy, reducing disconnected efforts, and focusing our resources on a set of activities aligned with the 10-Year Roadmap, designed to advance our network's ability to adapt to other value-based payment arrangements.
- **The structure is characterized by clearer priorities, stronger interconnections between components, and a shared purpose that drives all efforts.**

Year 3 Package Overview

Focus Area	Year 2	Year 3
Finance & Business Operations	5	5
Workforce Development	18	5
Access to Care	12	8
Total	35	18

- All deliverables are classified as Value-Based Incentives.
- The number of total deliverables is reduced significantly.
- We achieve this by either sunseting, merging, or transitioning activities away from Value-Based Incentives and onto other mechanisms.

Year 3 Value-Based Incentives

Finance and Business Operations

Timely Submission of CalOMS Admission and Discharge Records Continuation

At least XX% of CalOMS admission and discharge records agency-wide are submitted timely and are 100% complete.

Timely Claims Submissions New

XX% of claims for services provided in the prior month must be submitted by X day of each month as tracked by the supplemental claims based on HODA finance reports.

Building Performance and Risk Metrics New

Providers will use various analytical strategies to strengthen data-informed decision-making, risk management, and financial sustainability within evolving value-based reimbursement models.

Managing Financial Risk in Value-Based Reimbursement New

This opportunity enhances providers' ability to navigate financial risk under value-based reimbursement and alternative payment models, through risk-readiness assessments, stress testing, and financial strategy development.

Quality Management Systems* Continuation

This opportunity gives providers funds to invest in new data and quality management systems and/or strengthen existing data and quality management systems and organizational capacity.

* Will determine how this activity continues in Year 3 based on Year 2 data.

Year 3 Value-Based Incentives

Workforce Development

Employee Benefits Package New

Agencies demonstrate they provide identified employee benefits.

SUD Counselor Minimum Wage* Continuation

The agency must demonstrate that it offers a minimum wage of \$XX per hour for all Registered SUD Counselors employed by agency, across all programs and funding streams.

Bilingual Bonus Continuation

Incentive is designed to support provider efforts to recruit and retain bilingual direct service staff in efforts to increase language matching, which has been demonstrated to improve patient engagement and retention of services.

LPHA Retention Bonus Continuation

Providers will be paid up to an additional \$5,000 per eligible LPHA who received a Sign-On/Loyalty Bonus Payment in Year 2.

MAT Prescribing Clinician Start-Up Cost Sharing Continuation

Incentive provides a cost-sharing opportunity alongside treatment agency's own financial investments to recruit, retain, and utilize medical clinicians, as members of the agency's treatment team to provide medication services.

* Will determine how this activity continues in Year 3 based on Year 2 data.

Year 3 Value-Based Incentives

Access to Care

MAT Education/Services for Opioid Use Disorder (OUD) in Non-OTP settings Continuation

At least XX% of patients with OUD served in non-OTP settings receive MAT education and/or Medication Services that include MAT.

MAT Education/Services for Alcohol Use Disorder (AUD) Continuation

At least XX% of patients' agency-wide AUD either receive MAT education and/or Medication Services that include MAT.

MAT: Agency-wide Naloxone Distribution Continuation

At least XX% of patients served agency-wide receive naloxone by prescription or via distribution documented in the record.

Clients Referred/Admitted to Another SUD LOC Continuation

At least XX% of patients within agency are referred and admitted to another level of care (LOC) of SUD care within 30 days of discharge.

Mental and Physical Health Referrals/Care Coordination New

At least XX% of patients within agency receive mental and physical health referrals as applicable.

R95 Champion Continuation

Providers implement specified R95 initiatives.

R95 Patient-Facing Agreements Continuation

Participating treatment providers will update patient-facing agreements with language acknowledging SUD as a chronic medical condition that will be treated with compassion.

Service Design Follow-up Implementation Plan Continuation

Incentive supports providers in adapting the program services to align with the treatment needs of individuals who want to participate in services but are not ready to maintain abstinence.

Year 3 Administrative Enhancements

- **Implementing milestone-based payments for manageable deliverable timelines**
 - *Example:* Many Year 2 activities have invoicing only at the end of the program, whereas a similar Year 3 activity would have more frequent invoicing.
- **Reducing prerequisites to simplify participation requirements and expand access**
 - *Example:* Some Year 2 activities were limited to returning providers. Year 3 focuses on activities that will be open to all providers, regardless of prior participation.
- **Integrating related activities**
 - *Example:* Components of the Fiscal and Workforce activities were beginning to overlap and will be combined into the Year 3 metrics activity instead of being separate.
- **Streamlining package and invoice documents and processes**
 - Shorter, more clearly formatted package and invoice templates.
 - More efficient invoice submission and tracking systems.

Year 3 – Timeline

Late April/ Early May 2025	<ul style="list-style-type: none">• SAPC will publish rates bulletin with Value-Based Incentives Package attachment and elicit feedback
May 2025	<ul style="list-style-type: none">• Feedback period on Value-Based Incentives Package attachment closes.
June 2025	<ul style="list-style-type: none">• Year 3 website launches with full program details.
July 2025 – March 2026	<ul style="list-style-type: none">• July 1 – Start of Year 3 program period• Deliverables and invoice deadlines at milestones during program period• March 31 – End of Year 3 program period for most activities

Listening Session

Breakout Discussion	<ul style="list-style-type: none">• Framing and Purpose• Logistics
Group Report Out	<ul style="list-style-type: none">• Each group will share highlights of their discussion
Final Reflection	<ul style="list-style-type: none">• Comments and final feedback
Next Steps	<ul style="list-style-type: none">• Notes will be reviewed and sorted• Recommendations identified and shared

Listening Session Questions

Reflection on Year 1 and 2

Thinking back on Payment Reform Year 1 & 2 and your participation in the CB & I initiatives:

- Which deliverables and incentives were most impactful to your agency's transformation?
- What was your agency's process for choosing which capacity building incentives and deliverables you were going to take advantage of?

Listening Session Questions

Looking Ahead

Based on what SAPC shared today about Year 3:

- What are your initial reactions to the proposed Year 3 focus areas and key topics?
- Which of these incentives align most with your agency's Value-Based Reimbursement (VBR) goals?
- What's one topic you would prioritize or emphasize more based on what your agency is facing?

Listening Session Questions

Bridging Gaps

As SAPC aims to reduce administrative burden and streamline execution in Year 3:

- What ongoing or anticipated challenges might affect your agency's ability to succeed in Year 3?
- What barriers (internal or external) might prevent your agency from fully participating in Year 3?
- Are there technical, staffing, workflow, or funding-related obstacles you're anticipating?
- How do you think SAPC or CIBHS can help address or plan for these challenges before they arise?

Final Reflection

What is one thing you want SAPC to know going into Year 3?

Thank You!